

REQUEST FOR PURCHASE IN EXCESS OF \$20,000/CHANGE ORDER



To: Mayor and Council

From: Patty McGrath, General Manager – Aquatic Center

Date: September 3, 2013

Subject: Request for Purchase – Aquatic Center Hot Water Heater

Agenda Item #: IV.D.

The Recommended Bid is

☐ Within Budget

☒ Not Within Budget

Date Bid Opened or Quote Received:
July 5, 2013

Bid or Expiration Date:
September 30, 2013

Company:
Yale Mechanical (Option 2)
Corporate Mechanical (Option A)
Horwitz NSI (Option I)

Amount of Quote or Bid:
\$45,300
\$51,300
\$55,000

Recommended Quote or Bid:
Yale Mechanical (Option 2)

General Information:

This request is for the purchase of a new Hot Water Heating system for the Edina Aquatic Center. The current system was installed in 1997 and generally has a useful life of 10-12 years. The existing heaters were assessed in 2011 and the recommendation was to replace them in 1-2 years. One of the heaters began leaking just before closing for the 2013 season. These heaters are essential to operations and customer satisfaction as they supply the entire bath house including twenty-one (21) showers and eleven (11) sinks with hot water.

Proposals from three companies were solicited and reviewed by Terry Klapperick, HVAC Specialist and Tim Barnes, Facilities Manager. Each company offered 2 or 3 options for replacement. The three bids listed above represent comparable replacements. The staff recommendation is the installation of two (2) PVI Conquest water heaters, which are 97% efficient and will provide significant energy savings. The existing boilers have an efficiency rating of about 80%.

In addition to season pass holders and daily guests, the bath house is also used by the Aquajets, Edina Swim Club and more than 90 groups that made reservations. There is \$40,000 in the 2013 CIP to replace the hot water heaters. The recommended bid is \$45,300. While the bid is over the budgeted amount, it is important to note that the installation of the Main Pool Boiler at the Edina Aquatic Center in May 2013 came in significantly under the budgeted amount and realized a savings of \$17,220.



August 14, 2013

Mr. Terry Klapperick
City of Edina Public Works
7450 Metro Boulevard
Edina, MN 55439

Subject: Water Heater Replacement- Edina Aquatic center
Yale Project Number: P131514

Dear Mr. Klapperick:

Yale Mechanical is pleased to present the following proposal for the above-subject project. Work included as part of this proposal is as follows:

Option 1

1. Disconnect, remove and properly dispose of the two AO Smith hot water heaters.
2. Furnish and install two direct replacement AO Smith water heaters.
3. Includes disposal fees, electrical, water piping, gas piping, final start-up/test and permit.

We propose to complete the work described above for the sum of **NINETY-FOUR THOUSAND NINE HUNDRED DOLLARS (\$94,900)**.

Option 2

1. Disconnect, remove and properly dispose of the two AO Smith hot water heaters.
2. Furnish and install two PVI Conquest water heaters (up to 97% AFUE), with 130 gallon storage capacity.
3. Includes disposal fees, electrical, water piping, gas piping, final start-up/test and permit.

We propose to complete the work described above for the sum of **FORTY-FIVE THOUSAND THREE HUNDRED DOLLARS (\$45,300)**.

Option 3

1. Disconnect, remove and properly dispose of the two AO Smith hot water heaters.
2. Furnish and install four Navien tankless water heaters (up to 97% AFUE), with two 200 gallon storage tanks including cascade cables, circuit balancing valves and circulating pumps.
3. Includes disposal fees, electrical, water piping, gas piping, final start-up/test and permit.

We propose to complete the work described above for the sum of **FORTY-TWO THOUSAND ONE HUNDRED DOLLARS (\$42,100)**.

All equipment furnished and installed by us that is found to be defective within the period of one year following completion of installation shall be repaired or replaced by us at no cost to the purchaser.

This proposal is good for 30 days. If an extension is required, a written notice must be obtained.

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Mr. Terry Klapperick
August 14, 2013
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Payment shall be made by the 10th of the month on all invoices issued by the 1st of the month for all material and equipment installed or on hand and all labor performed. Final payment to be made within 30 days after substantial completion of the work.

Thank you for the opportunity of allowing us to present this proposal to you. Should you have any questions regarding this matter, please do not hesitate to contact us as we hope to be of further service to you on this project.

Sincerely,

Todd J. Jelle

Todd J. Jelle
Project Manager

CORPORATE MECHANICAL, INC

HVAC Commercial/Industrial Installation ♦ Scheduled Maintenance ♦ 24 hr Service
Energy Management ♦ Design Build Engineering

July 19, 2013

Mr. Terry Klapperick
City of Edina

**RE: Edina Aquatic Center
Water Heater Replacement Budget Proposal**

Dear Terry:

We are pleased to offer the following proposal to replace the two (2) 300-gallon water heaters at the Aquatic Center. We have provided **budget pricing** for three different options. The budget for each option is a “turn-key” price including allowances for electrical, roofing, rigging, etc.

These costs should be considered **budgets** only and if you decide to proceed we will put together a firm bid for whichever option you prefer.

Option A-Two (2) high-efficiency 130-gallon water heaters: We propose to replace the existing (2) 300-gallon, 300,000-btu water heaters with (2) 130-gallon, 500,000-btu high-efficient water heaters.

Option-A Cost: \$51,300.00

Option B-Direct Replacement: We propose to replace the existing (2) water heaters with (2) new 300-gallon, 300,000-btu water heaters.

Option-B Cost: \$97,800.00

Option C-Four (4) high-efficient tankless water heaters: We propose to replace the existing (2) water heaters with (4) high-efficient tankless water heaters and a 200-gallon storage tank.

Option-C Cost: \$58,700.00

Please let me know if you would like me to put together a firm bid on any of these options.

Thank you for allowing us to present this proposal. If you have any questions, please call.

Sincerely,

Rick Potter

PROPOSAL

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Address: 4401 Quebec Ave. N., New Hope, MN 55428
Construction: 763.533.1900 Fax: 763.235.9810
Service: 763.235.9833 Fax: 763.235.9834
horwitz-nsi.com

City of Edina
4801 West 50th Street
Edina, MN 55424

Date: August 5, 2013
Proposal Number: M13-141

Regarding: Edina Aquatic Center – Domestic Hot water
heating system replacement

Attn: Terry Klapperick

Thank you for the opportunity to provide you with a proposal to replace your existing AO Smith hot water heaters in the Edina Aquatic Center. We have put together two different options for you to review. Both systems will provide significant energy savings and will be a reliable option for your facility.

Option 1 : Provide and install two (2) PVI Conquest condensing hot water boilers

- Includes 130 gallon ASME jacketed storage tank
- Up to 97 % thermal efficiency at full fire from 40 deg to 140 deg.
- Disconnect domestic water piping , electrical , flue venting and gas piping
- Disconnect , demo and remove existing hot water heater with storage tanks
- Reconfigure hot /cold water and recirculation piping per mfg. specs
- Provide and install factory recommended CPVC piping for combustion air and flue vent piping
- Cap existing vent piping
- Insulation included
- 10 year tank warranty – 1 year parts and labor
- Factory startup

Budget pricing: \$ 55,000.00

Option 2 : Provide and install four (4) Navien tankless hot water heaters

- Includes two (2) ASME jacketed storage tanks
- Disconnect domestic water piping , electrical , flue venting , gas piping
- Disconnect , demo and remove existing hot water heater with storage tanks
- Reconfigure hot / cold water and recirculation piping per mfg. specs.
- Install circuit setter balancing valves for each hot water heater
- Provide factory recommended circulation pumps
- Insulation included
- Provide and install factory recommended CPVC piping for combustion

Budget pricing : \$ 35,000.00

Please feel free to contact me at 763-235-9817 to discuss in further detail. We can perform an energy analysis to estimate long term cost savings, we would need copies of past utility bills for the study. Utility rebates also available for each one of the above systems.

Sincerely ,

A handwritten signature in cursive script, appearing to read 'Mark Totino'.

Mark Totino
Project Sales Manager